RETIREMENT

OLL 85-2739 18 September 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Justice Department's proposed report on H.R. 1710, a bill to remove the maximum hiring ages and mandatory retirement ages for federal employees/verbal comments by the Administrative Law Division

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1. On 17 September 1985, of the ALD/OGC, phoned me to provide OGC with comments on the Department of Justice report. She reviewed H.R. 1710 and the Department of Justice report and found no objectionable material in the report. She advised that we tell OMB that the CIA concurred in the Department of Justice letter.

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Deputy Chief, Legislation Division Office of Legislative Liaison



Central Intelligence Agency



Mr. Joseph Wright
Acting Director
Office of Management and
Budget
Washington, D.C. 20503

Dear Mr. Wright:

Following my submission to you of a proposal which would permit the Agency to administer a retirement system for all Central Intelligence Agency (CIA) employees, the Agency has been asked to formulate a response to S. 1527, the Roth/Stevens supplemental retirement bill, and to review the testimony of various other agencies on this bill. I am writing this letter to request your guidance concerning how the Agency should respond to Senator Roth and others given our intention to seek separate retirement legislation. I am concerned that the Agency may lose its best opportunity to present an effective case for separate legislation during the upcoming hearings on S. 1527, while the Office of Management and Budget (OMB) continues to review our proposal.

As you may know, the Agency has forwarded to OMB for review a comprehensive letter addressed to Senator Roth which sets forth the justification for a separate CIA-administered retirement system. OMB clearance of this letter is required as soon as possible so that the Agency can make its case while Congress is actively considering this issue. As we noted in a 19 August 1985 letter responding to OMB's request for the Agency's comments on S. 1527, the Roth/Stevens supplemental retirement proposal does not accommodate the unique needs of the Agency and is not an appropriate vehicle for seeking the retirement program required by the Agency. For this reason, our ability to address CIA retirement needs before Congress cannot be undertaken simply by critiquing the Roth/Stevens bill through either a direct response or by including comments concerning the CIA in other Administration or agency testimony on S. 1527.

We now need your guidance as to how to approach Congress with the idea of separate legislation authorizing a CIA-administered retirement program. I would hope that our comprehensive letter to Senator Roth can be cleared in time to be considered by Congressional leaders in the upcoming hearing and debate on S. 1527. If it cannot, then we need your

assistance in determining how to communicate to Congress our retirement needs to ensure that Agency equities are fully protected during Congressional consideration and eventual passage of a supplemental retirement package. Because the Roth/Stevens bill as presently drafted would cover all new Agency employees, the Agency must have an opportunity to present its case or otherwise face remaining subject to a retirement program that would severely impact on CIA's ability to perform its vital national security mission. In this regard, we have transmitted to Senator Roth and other key congressional leaders a short letter (enclosed) requesting their reaction to the idea of a separate CIA-administered retirement system. As the enclosed letter makes clear, however, transmittal of the actual Agency proposal and justification materials is awaiting OMB review and approval.

We look forward to working with you and members of your staff on this vital subject and would appreciate hearing from you as soon as possible so that the Agency can fully utilize the limited time remaining to generate support for its separate retirement initiative.

Sincerely,

William J. Casey
Director of Central Intelligence

Enclosures